



CSR REPORT

2022





"PROTECTING,
OUR MISSION, OUR DNA,"

“

Hervé ZIPPER

*As a supplier of personal protective equipment (PPE), COVERGUARD's mission is **to protect women and men in the workplace.***

*Our commitment to Corporate Social Responsibility (CSR) therefore stems from our core business. Now an integral part of our strategy, **CSR is at the heart of all our projects**, particularly our circular economy approach.*

We are committed to working alongside those who question the way they operate and choose to reconsider their relationship with natural resources while implementing responsible and ethical production methods.

*Last year, **we were awarded the GOLD status by Ecovadis** for our actions in the fields of Environment, Social & Human Rights, Ethics and Responsible Purchasing.*

This CSR 2022 report therefore showcases all the concrete measures we have taken to reduce our impact at every level. It will also, I hope, encourage discussion with all our stakeholders about our responsible enterprise project.

Group CEO

”

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3 QUESTIONS TO ANNE CASSET

Director of Human Resources and of CSR



Anne CASSET is in charge of taking into account the economic, environmental and social issues of COVERGUARD

WHAT DID COVERGUARD ACHIEVE IN TERMS OF CSR IN 2022 ?

Several elements come to mind: measuring our carbon footprint for the first time, creating a CSR officer position, developing a questionnaire about the quality of work life, etc.

HOW HAVE EMPLOYEES TAKEN UP THE CSR PROJECT ?

The main challenge is about displaying CSR as an essential element in the development of a company rather than a requirement or a legal obligation to be respected... The whole project can only work by integrating all employees. Coverguard has succeeded: all our team members have shown great commitment to the various CSR projects that we launched! We noticed this during the European Sustainable Development Week (see p.39), which received great attention from the employees.

WHAT ARE THE PLANS FOR 2023 ?

Working on our circular economy approach (see p.11) regarding for instance products recycling, but others such as the deployment of the CSR strategy throughout the various entities of the group.

SCOPE OF THE REPORT

This report is due annually and covers activities up to 31/12/2022. The last report was published in April 2022. It includes the results of Coverguard's head office: our goal is to eventually include all group entities (see p.5) in our CSR report. Our subsidiaries have evolved to meet or exceed the environmental and social regulations in their countries: our Hungarian subsidiary, Ganteline, recently received a Responsible Employer Award (Gold grade) and Responsible Employer of the Year in medium and small size company (Silver grade).

OUR MISSION:

“ TO PROTECT PEOPLE IN THE WORKPLACE WITH THE HELP OF INNOVATIVE AND ADAPTED PPE. ”

PPE:

PPE keeps people safe in the workplace by protecting them from most of the risks that could affect their health or bodily integrity. PPE is governed by **standards** (CE) and is **adapted to each area of activity** (building, industry, services). All the products marketed by Coverguard **address the risks of its customers** in industry, construction and services.

WHO WE ARE ?

Coverguard is a major player in the global personal protective equipment (PPE) **market, and designs, manufactures and distributes a complete range of unique**, original, comfortable and reliable products.

The company works **exclusively with distributors** and we operate in the B2B sector. Our customers are **professional distributors** (industrial supplies, PPE specialists and non-specialist) or aimed at the **general public** (DIY stores).

We offer the following product categories :



SAFETY GLOVES



SAFETY SHOES



HEAD PROTECTION



SEASONS CLOTHING



HIGH-VISIBILITY CLOTHING

EYE PROTECTION

EAR PROTECTION

RESPIRATORY PROTECTION

SKULL PROTECTION



WORKWEAR



DISPOSABLE EQUIPMENTS



FALL PROTECTION

MANAGEMENT COMMITTEE (as of 01/06/2023)

Our management team determines and steers our strategy, which is then deployed with our teams.



Hervé
ZIPPER

Group
CEO



Anne
CASSET

Human Resources
and CSR Director



Marc
PROCUREUR

Group
CFO



Richard
CRNJANSKI

Supply Chain & IT
Group Director



Vincent
MONTABONEL

Area France &
Northern Europe
Director



Cédric
HÉRON

Sourcing and
Transformation
Director



Michael
EWALD

Area Southern
Europe, Export and
Group Affiliates
Director

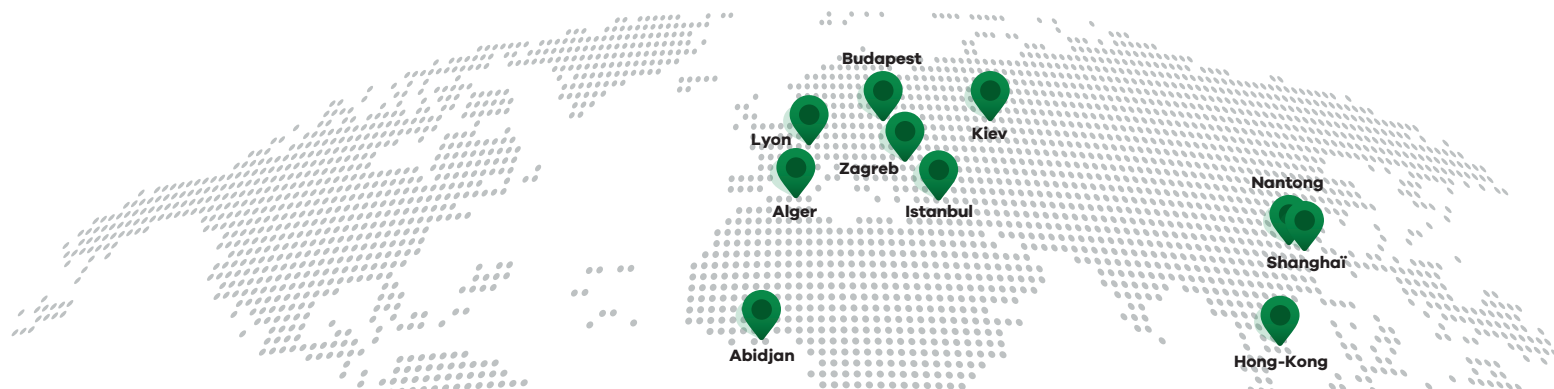


Gabor
DOLINSZKY

Eastern Europe
Director & Ganteline
affiliate Director

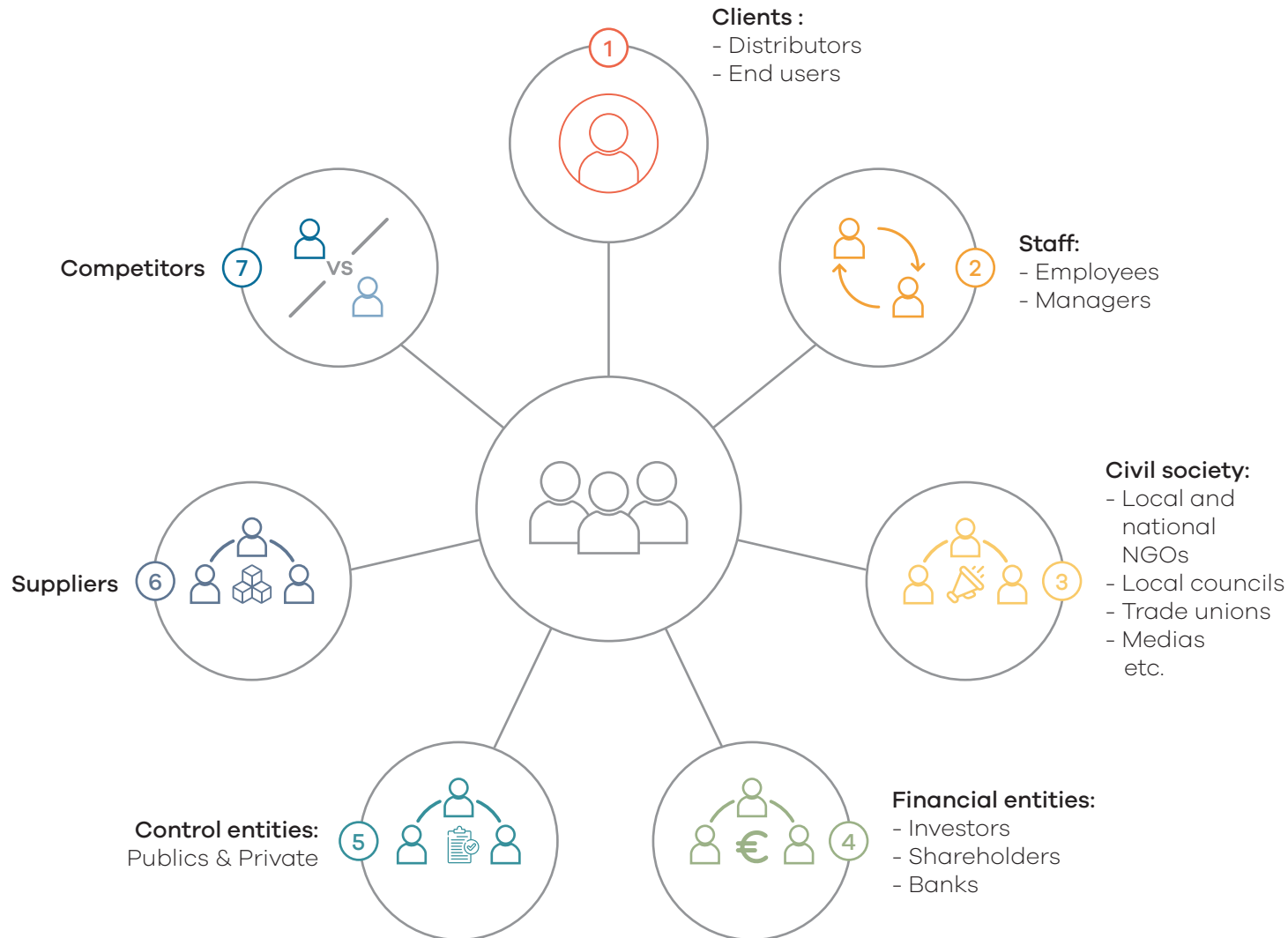
INTERNATIONAL OPERATIONS

COVERGUARD's head office is based in Miribel, north of Lyon. The group has 670 employees spread between several entities throughout the world.



MAPPING OUR STAKEHOLDERS

Identifying our stakeholders ...



... to better understand their needs and expectations towards COVERGUARD:

Developing a value-added offer	1	4	7			
Implementing a sustainable sourcing policy	1	3	4	5	6	7
Reducing our environmental and social footprint	1	2	3	4	5	
Involving the staff and raising awareness of CSR issues	1	2	3	4	5	

ANALYSING STRATEGIC ISSUES

Analysing the importance of the issues for our stakeholders to guide our CSR strategy (see p.42)

STAKES	IMPORTANCE FOR STAKEHOLDERS	IMPORTANCE FOR COVERGUARD
Aiding and abetting the breach of fundamental human right	★★★★	★★★★
Logistics impacts - carbon	★★★★	★★★★
Management and recycling of waste	★★★★	★★★☆☆
Customer relations	★★★☆☆	★★★★
Supplier relations	★★★★	★★★☆☆
CSR strategy and organisation	★★★★	★★★☆☆
Conditions of employment and management	★★☆☆☆	★★★★
Working conditions/Health and safety	★★☆☆☆	★★★★
Consumption of raw materials, of which packaging	★★★★	★★☆☆☆
Satisfaction and H&S of users of PPE	★★★☆☆	★★★☆☆
Shareholders	★★☆☆☆	★★★★
Internal eco-friendly behaviour: energy, travel, office waste	★★☆☆☆	★★★☆☆
Ethics	★★☆☆☆	★★★★
Corporate values	★★★☆☆	★★☆☆☆
Internal communication	★★☆☆☆	★★★☆☆
Equality of treatment and non-discrimination	★★☆☆☆	★★★☆☆
Training and career development	★★☆☆☆	★★★☆☆
Dialogue with employees	★★☆☆☆	★★☆☆☆
Pollution, water, biodiversity	★★☆☆☆	★★☆☆☆
Contribution to the life and development of the community	★★☆☆☆	★★☆☆☆

FOCUS ON THREE STAKEHOLDERS

ECOVADIS

We have been accompanied since 2020 by Ecovadis, a Sustainability ratings provider:

- To **measure our progress** in our approach and our degree of involvement
- To **promote our CSR commitment** to our external stakeholders

In 2022, thanks to our actions in various fields, we obtained a score of 67/100 allowing us to reach the **Gold rank**, representing 5% of the companies evaluated by Ecovadis.



UN GLOBAL COMPACT

Since 2021, COVERGUARD has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labor, environment and anti-corruption. Our actions contribute to the following 8 Sustainable Development Goals :

SUSTAINABLE DEVELOPMENT GOALS

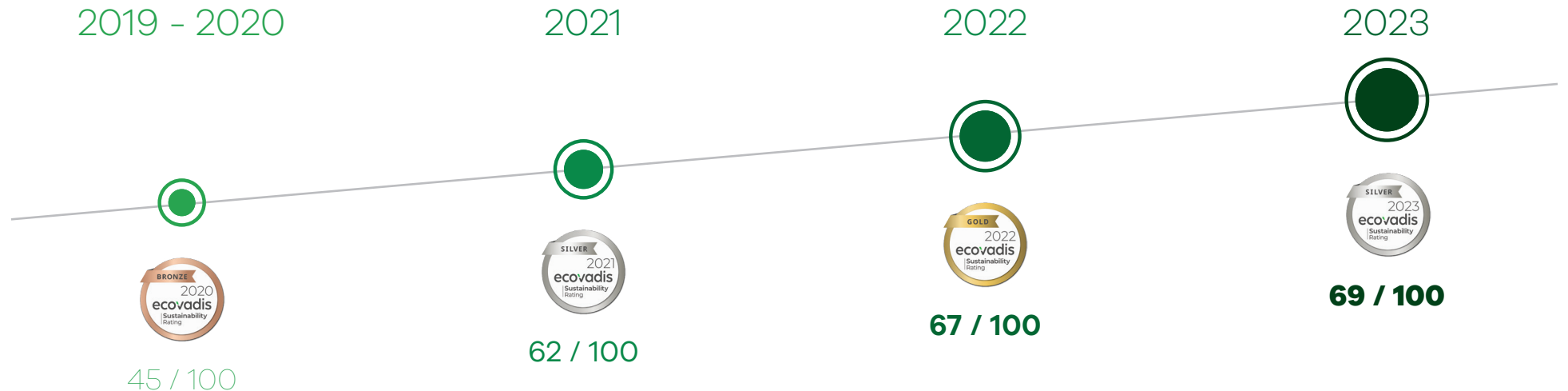


WORLDSKILLS FRANCE

COVERGUARD is the official partner and supplier of Worldskills France, which will take place in Lyon in September 2023 (see p. 37).



OUR CSR POLICY



- Launching our CSR policy : support from AFNOR
- Creating a project group: shaping the future CSR orientations
- ECOVADIS evaluation: bronze medal

- Support from AFNOR
- Training in climate change, ethics... of the managers
- Publication of 1st CSR report
- ECOVADIS evaluation: silver medal

- Carbon footprint and Life Cycle Analyses
- Training in eco-design and creation of an internal scorecard
- Participating in the European Sustainable Development Week
- 2nd CSR report
- ECOVADIS evaluation : gold medal

- Launching our circular economy approach
- Moving to new premises
- Implementing our CSR approach throughout the group's subsidiaries
- 3rd CSR report
- ECOVADIS evaluation: silver medal

COVERGUARD, A COMPANY COMMITTED TO CSR





CIRCULAR ECONOMY



3 QUESTIONS TO JUANITA TORO GIRALDO

R&D Project Manager and CSR Product Referent

WHAT ACTIONS DID YOU TAKE IN 2022 ?

We first had life cycle analyses carried out on three of our best-selling products. We then decided to develop a scorecard: this is an internal impact analysis tool based on a few criteria (see p.13). This tool enabled us to analyse of our entire product range.

HOW DID THE REST OF THE EMPLOYEES REACT?

It is a company-wide project: first of all, the product managers took up the subject and were on the front line; but many departments were involved (sales, purchasing, IT, etc.): everyone was not only cooperative but even very committed to the project. We then organised simplified training sessions on ecodesign for the executive team, the rest of the managers, and all the French and export sales staff to raise awareness and involve all the employees. It's a unifying project!

WHAT PROJECTS FOR 2023?

On one side, improving our existing products, by launching quick wins actions that are easy to implement, while working with our suppliers. We will also draft a circular economy strategy regarding our products for the years to come.

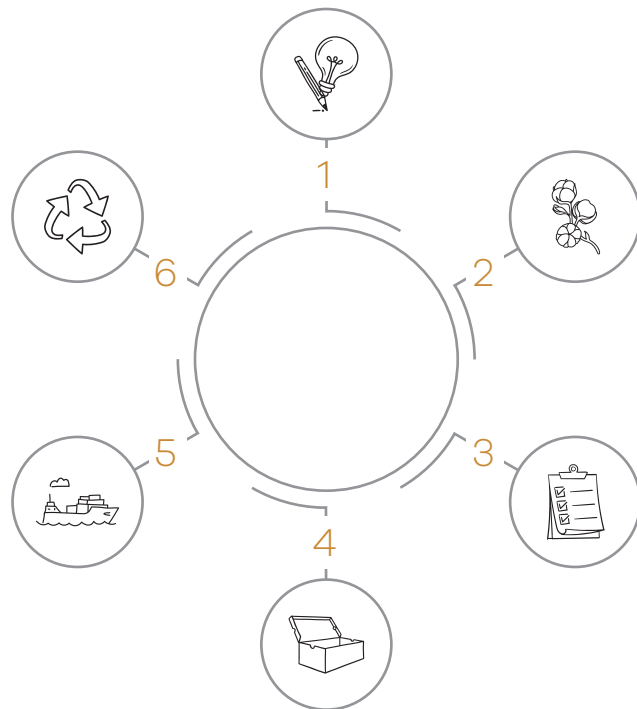


CIRCULAR ECONOMY

We kick started our circular economy approach through our products design.

DESIGNING OUR PRODUCTS

In 2022, we worked with a service provider, AirCoop, a consulting company specialised in eco-design in the textile industry. In addition to a complete training course on eco-design given to all product managers, AirCoop created an internal tool to guide them while designing the future products. This tool is composed of different criteria, including :



1 OPTIMISED DESIGN

A simple construction and a reduced number of different materials and fabrics **optimise** the product for **its function and use**.

2 RESPONSIBLE MATERIALS

Using **recycled** or **bio-sourced** materials reduces the impact of resource extraction.

3 FACTORY AND PRODUCT LABELLING

Ensuring compliance with environmental, social and ethical standards: **ISO 14001**, **SMETA 4**, **Oeko-Tex** or **GRS**.

4 RESPONSIBLE PACKAGING

Reducing the volume of plastic packaging as much as possible and **favouring** bio-sourced (cardboard) and **recycled** materials.

5 PROXIMITY OF THE MANUFACTURING LOCATION

Encouraging partnerships with **suppliers geographically closer to France**

6 SUSTAINABILITY & RECYCLABILITY OF THE PRODUCT

Making a product more **resistant to abrasion and washing**

COVERGUARD aims at developing partnerships with the recycling industry to improve the end-of-life of its products.

FOCUS ON THE PACKAGING

DEVELOPING THE KNOWLEDGE OF PRODUCT MANAGERS

In 2022, the product managers were made aware of the importance of reducing the volume of packaging by visiting a Paprec Group waste processing centre. The goals were to discover the different types of plastic packaging and to understand which ones are more easily recyclable in order to help them make better choices regarding packaging.

USING RECYCLED PLASTIC

We have also started integrating recycled plastic in the composition of the packaging.

up to 30% for our 13 tested products.

We are looking to replicate this initiative across all products.

FACILITATING THE RECYCLING OF PACKAGING

We are committed to using only one type of plastic for polybags instead of a combination of plastics.

We comply with the French AGECE law, which requires distributors to display information about sorting the packaging (among other things) to better inform the end consumer, and we pay the legal contribution to CITEO, the institution in charge of recycling packaging on French territory.

REDUCING THE VOLUME OF PLASTIC IN PACKAGING

We have carried out tests to reduce the weight of the plastic packaging of certain articles as much as possible, without compromising the protection of the product. The test phase has been completed and we will soon roll out this action to the rest of the products.

Plastic packaging weight divided by 2, on the 13 products we tested





ENVIRONMENT



CARBON FOOTPRINT

ANOVA, a consulting firm, measured our **carbon footprint** in 2022. Knowing exactly what our company's greenhouse gas emissions are and where they come from are the first steps before defining concrete actions to reduce our carbon footprint

CARBON FOOTPRINT BASED ON 2021 DATA

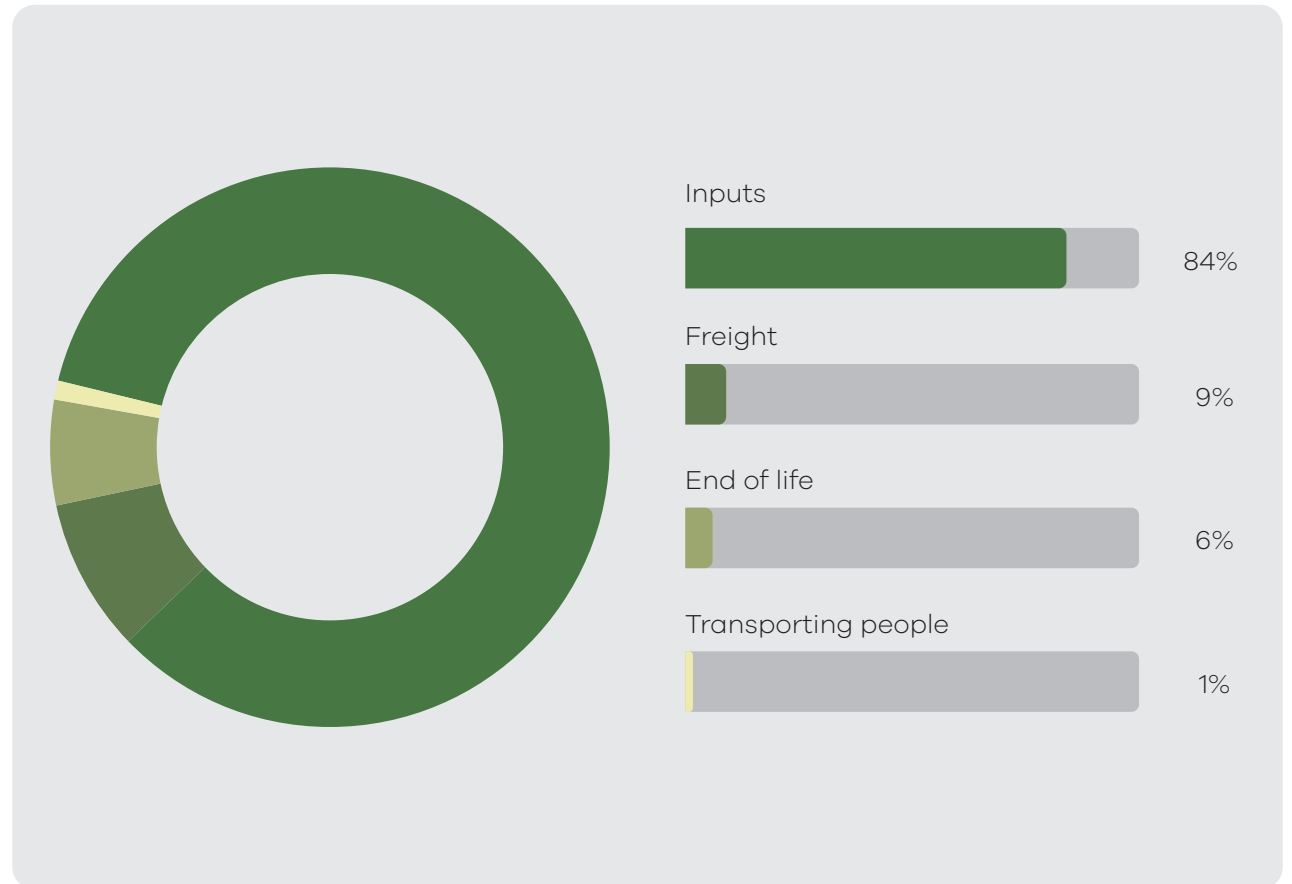
SCOPE 1 & 2*

130 t CO₂eq

SCOPE 3*

121 488 t CO₂eq

DISTRIBUTION OF GREENHOUSE GAS EFFECTS AT COVERGUARD, END OF 2021 (SCOPE 1, 2 and 3)

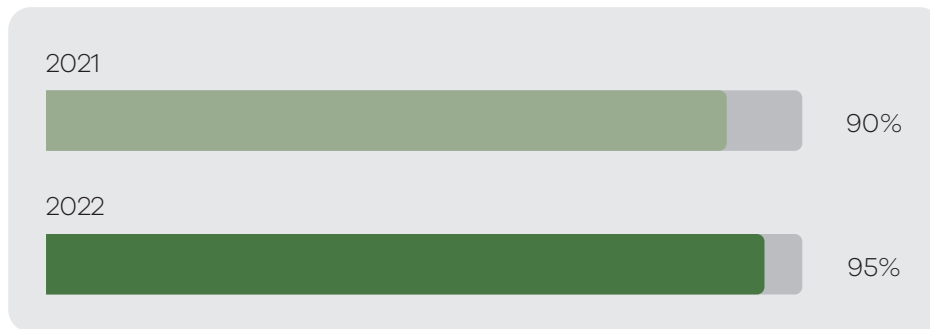


*t eqCO₂: tonnes of CO₂ equivalent

After this first carbon assessment in 2022, we plan to carry out the next one in 2024 based on 2023 data, in order **to give our policy enough time to have measurable effects**. In the meantime, we continue to take action to reduce our impact, including...

OPTIMISING FREIGHT

Filling rate of a container



“

Alexandra MOREL

We have exceeded our target of 90% by resizing boxes to maximise the space in a container. 95% is the maximum load factor : there will always be lost space in order to have room to store and move the boxes. In 2022, we have also asked our forwarding agents to shift from road freight to to river transport while making sure not to cause any delays. We hope to see the effects of this measure next year!

Transport Manager

”

1707 t CO₂eq

Emitted by transporting to our warehouse
in 2022

REPLACEMENT OF OUR CAR FLEET WITH HYBRID OR ELECTRIC VEHICLES

Rate of hybrid or electric vehicles



We reached our goal of 30%, but we shall continue to replace our current cars with electric vehicles in order to surpass our target.

REUSING OUR PRESENTATION MATERIALS

Our point-of-sale advertising (POS) and Shop-in-Shop offer are manufactured by French suppliers, if not by suppliers close to the Lyon region.

100% of our POS material is manufactured by suppliers who have obtained the PEFC or FSC label

We reuse as much as possible the material used on our stands: 100% for regional fairs and more than 60% for national fairs, i.e. 1 to 2 per year. Only the floors and advertisements on tarpaulin are not reused, as they depend on the configuration of the stand, which differs each show.

DESIGNING OUR PRODUCTS (SEE P.13)

ENVIRONMENTAL MANAGEMENT

As there are only tertiary activities on our site - and no manufacturing - there is no direct impact on water (neither withdrawal nor pollution), air, biodiversity, or local residents. We do not produce hazardous waste and there is no risk of significant oil, fuel, waste, or chemical spills.

We do not own or manage any operations in or near protected areas and areas of high biodiversity, and we have not found any instances of non-compliance with environmental regulations.

We lowered the maximum temperature of our heating devices to 21°C during the day on weekdays, and to 18°C in the evening and at weekends

We measure our water and energy consumption :

Electricity consumption in 2022

171 493 kWh

Gas consumption in 2022

404 595 kWh

Water consumption in 2022
(No water withdrawal)

459,412 m³

UPCOMING MOVE TO NEW PREMISES

Relocation to new offices planned
in September 2023



Jean-Michel MONARD

We planned the following infrastructure for our future premises in order to reduce our impact : photovoltaic panels on the roof producing up to 70% of our electricity, a self-sufficient heating system for the warehouse, a heat pump instead of a gas boiler, skylights for natural lighting in the warehouse and electric charging stations for everyone to use.

Health, Safety & Environment Project Manager — ”

WASTE MANAGEMENT

We work with several local partners to manage our waste:

- We signed a partnership with the Lyon agency of ELISE, a social entreprise that employs people with disabilities, to recycle some of our waste: **glassine, batteries, light bulbs and electrical and electronic waste (WEEE)**.
- **Paper, plastic film, wood** (pallets) and **metal** (if any) are recycled by local service providers.
- The **ordinary industrial waste** (OIW) from the warehouse is also collected by a local company: it is re-sorted and what can be recycled is recycled.
- The local council of Miribel manages our **household waste** as well as our **recyclable packaging** and **glass**:
 - **Household** waste is treated in a methanation plant located about 50 km from our headquarters. This plant treats and transforms household waste through mechanical-biological sorting and a methanation-composting process.
 - **Packaging** is managed by the Paprec Group's sorting centre in Chassieux.



WASTE PRODUCED IN 2022

* WEEE and light bulbs: we did not produce enough waste in 2022 to have to empty the collection bins. We also did not produce any metal waste in 2022.



FOCUS ON ... WASTE REDUCTION

We reduce waste in the following ways :

PAPER:

- By dematerialising documents using a **software**
- By distributing the CSR report **digitally** to our stakeholders, and printing maximum 5 copies for our archives.
- By measuring the number of undistributed catalogues each year to optimise subsequent printings as much as possible and by sending out **dematerialised** catalogues to our clients

Number of reams of paper saved per year by not printing invoices

74

CONSUMABLES:

- By distributing a **zero waste pack** consisting of a mug, an eco-cup, a water bottle, and a tote-bag to all our employees, and by making kitchen cutlery available to everyone, with the aim of reducing the use of single-use consumables in the long term.
- By giving a second life to objects that are still in good condition, such as **computer equipment, clothing, etc.** (see p. 38)





ETHICS & SUSTAINABLE PURCHASING



BUSINESS ETHICS

We are implementing actions to comply with the French SAPIN II law:

- 1 **Creation of an ethical charter**
- 2 **Launching an internal alert procedure**
- 3 **Integration of the disciplinary procedure into the company rules and regulations**
- 4 **Training of the executive committee, managers and sales staff on anti-corruption and fairness of commercial practices**

FOCUS ON ... THE ETHICS COMMITTEE

The committee is responsible for complying with the ethical charter: it therefore receives complaints and deals with cases of non-compliance in accordance with the guidelines set out in the internal alert procedure.

Cases of breach of the ethical charter (harassment, discrimination, corruption, etc.)

0

Emails received on the reporting mailbox

0

Legal action against anti-competitive behaviour and antitrust practices

0

Cases of non-compliance with French and international social and economic legislation

0

COVERGUARD does not make political contributions nor does it finance any political parties.

We are committed to fair business practices: we defend the value created and the know-how of our teams, which has led us to include an intellectual property clause in our supplier contracts. We also refrain from copying other products and ideas in order to respect our competitors.

SUSTAINABLE PURCHASING

COVERGUARD outsources the manufacturing of its product lines mainly to Asia, where most of our procurement takes place.



As freedom of association, collective bargaining, prohibition of forced labour and child labour may be at risk in some of the countries our suppliers are located in, it is essential for us to ensure that social, environmental and ethical standards are respected in each and every factory.

We have therefore developed a strict sustainable purchasing policy which stems from our due diligence obligation:

- **Visiting the factories** before starting a business relationship
- **Conducting ethical and social audits**, as well as **quality audits** (from the beginning of the business relationship), carried out by independent third-party organisations (voir p. 24 et 25)
- Updating our **supplier risk matrix** regularly
- **Training on sustainable development, ethics, and sustainable purchasing** for our entire procurement office in Hong Kong (in direct contact with suppliers)

FOCUS ON ... AUDITS

The frequency of these audits is based on the purchasing volume and the score of the previous audit. A score is established out of 100 points. Depending on our purchasing volume and the score obtained, the supplier is audited once a year, once every two years or once every three years if the optimum score is reached.

Following these Ethical and Quality audits, we work closely with each supplier through specific action plans to enable them to improve and resolve any non-compliance. Each action plan is strictly monitored.

“ ——— Céline SESTIER

We have recently changed our processes to make them more stringent. In addition to ethical audits based on SA 8000 and quality audits based on ISO 9001, we ask our suppliers to provide all the certificates or other audits they have: environmental management system (ISO 14001), employee health and safety standards (ISO 45001), SMETA 2 or 4, etc. These elements are essential for updating our supplier risk map. Our new suppliers are also required to sign our Supplier Ethics Charter, which also applies to their subcontractors.

Audit and Certification Manager ”

ETHICAL, ENVIRONMENTAL AND SOCIAL AUDITS

Our audits are based on the **SA 8000 standard**, which includes 5 themes:

- 1 — Hygiene, health and safety
- 2 — Prohibition of child labour
- 3 — Working hours and wages
- 4 — Social practices such as trade unions, forced labour and discrimination
- 5 — Environmental management

We closely monitor operations in countries in which the risk of forced, compulsory or child labour is significant, or in which freedom of association may be at risk. Thus, severe and wilful violations of these standards are unacceptable to Coverguard and shall result in immediate termination of the business partnership. Similarly, refusal of an audit will result in the termination of the employment relationship without exception. These clauses are included in the contracts signed with the suppliers.

Volume of purchases from ISO 14001 certified suppliers



In 2022... 16 ethical audits with an average score of **8.5 / 10**

Average ethical audit score of all suppliers: **8.2 / 10**

Average ethical audit score of the 24 largest suppliers (representing 80% of the purchasing volume): **8.8 / 10**

26 suppliers who have had cases of non-compliance have taken corrective action in 2022.

There were no cases of violation of indigenous peoples' rights in 2022.

PRODUCT QUALITY

Coverguard ensures that all its products comply with European standards or the standards of the country where they are sold and are certified by recognised and independent notified bodies.

100%

of the leather used for our gloves is checked for allergens

100%

of our suppliers are REACH compliant

QUALITY AUDITS

To ensure that Coverguard products always meet the requirements we have defined in our specifications, we have regular audits carried out by auditing firms during production at our suppliers' factories
Our audits are based on the **ISO 9001** quality management system standard

Average quality audit score for all our suppliers:

81.4/100

In 2022, 12 quality audits for an average score of

85.1/100

Volume of purchases from ISO 9001 certified suppliers

2022



78%

ETHICS & SUSTAINABLE PURCHASING

We carry out both visual checks on our products upon arrival at the warehouse to ensure that they comply with our strict requirements and supplier specifications.

Claim rate in 2022

0.0208%

Number of inspections during production in 2022

363

Number of inspections upon delivery in 2022

362

We strive to exceed the strict regulatory framework for PPE through a demanding **quality policy**. Our products are designed with materials and substances that are harmless to humans. We work with all our suppliers to prevent any variations in the production or manufacturing processes that can be controlled in production processes or in the materials used. We have defined a consumer **health and safety policy** in 2022 which includes these elements. There were no cases of non-compliance concerning the impact of the products on the safety and health of end-users.

INFORMATION SECURITY

We are implementing measures to comply with the General Data Protection Regulation (GDPR).

“ **Christophe BESSON**

We created a specific email address to collect requests related to the protection of personal data. We are also setting up a data retention schedule and updating our personal data register, in collaboration with the various departments that we closely involve in the process.

IT Manager ”

Number of information security incidents in 2022

0

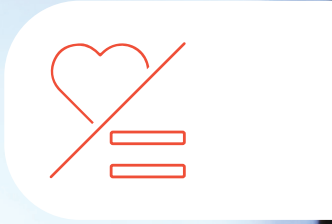
Number of emails received on the specific RGPD mailbox in 2022

0

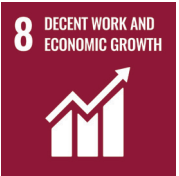
Our actions launched in 2021 in the field of IT security are still on-going:

- New procedure for data management after the departure of employees
- Changing mandatory passwords and increasing their complexity

In 2022, we have started migrating to a more secure system architecture. In 2023 we shall carry out a full audit help us identify and repair any flaws: internal and external intrusion tests on top of an organisational audit.



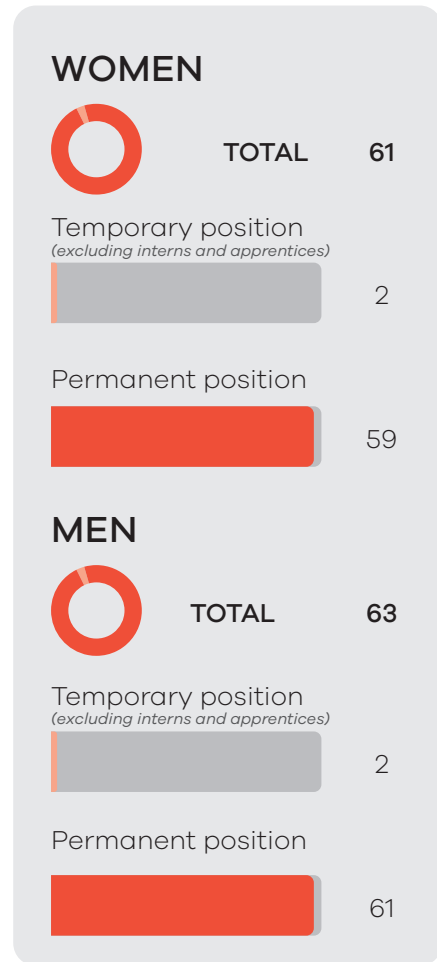
HUMAN



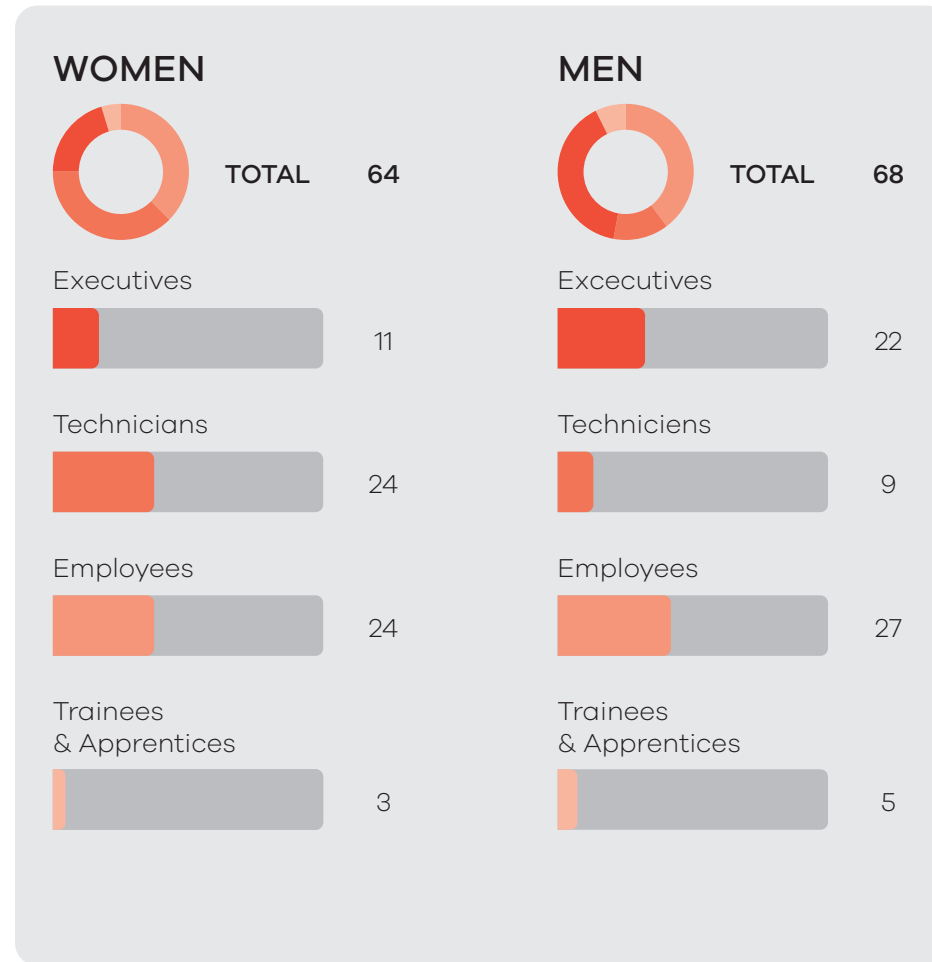
SOCIAL REPORT

TOTAL NUMBER OF EMPLOYEES

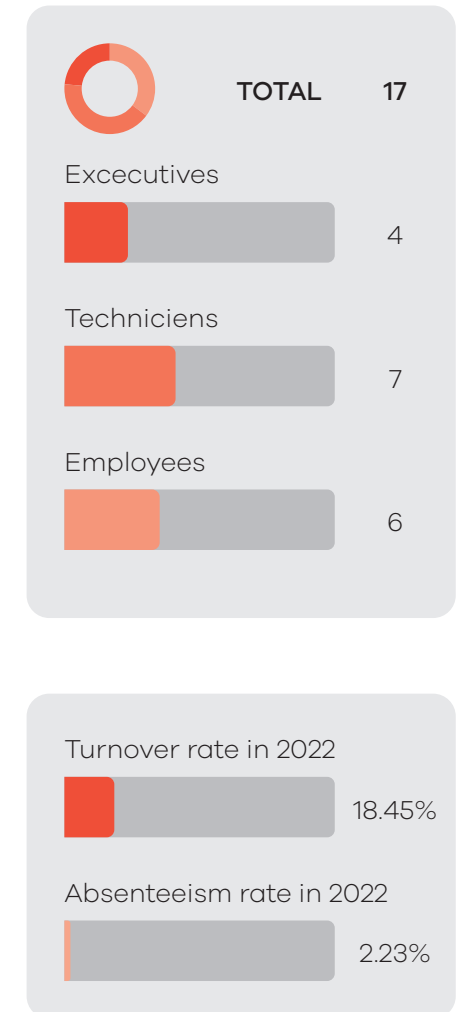
According to contract type



According to status



RECRUITMENT IN 2022



SOCIAL DIALOGUE AND INTERNAL COMMUNICATION

Dialogue with employees is important for Coverguard: social issues, working conditions and safety are regularly discussed at meetings of the Social and Economic Committee (SEC), which meets once a month.

The elected delegates collect the demands of employees beforehand. All topics are discussed and debated during the monthly meetings and the minutes are then sent out to the whole company.

The SEC also manages the relationship with the Hello CSE platform and is in charge of distributing gift vouchers to company employees.

Number of SEC meetings
in 2022

12

The valid collective bargaining agreements to date are as follows:

- **DUE** (Single Employer's Declaration, concerning health costs)
- **Working time agreement**
- **Home office Charter**

The collective agreement for Coverguard is that of the wholesale trade.

In addition, the management communicates with all employees twice a year in an informal setting during a festive gathering about taking stock of the activity, the deployment of the strategy and current and future initiatives.

PARTICIPATIVE MANAGEMENT

Each employee has the opportunity to actively participate in a strategic company project via working groups on cross-functional topics. They bring both knowledge and expertise, train in project management - a key skill within the organisation - and develop interpersonal skills by interacting with other departments in a different setting.



HEALTH & SAFETY

HEALTH

Coverguard guarantees the right of access to health care for all employees, without discrimination or exclusion. 100% of employees are covered by the company's insurance plan. The contract offers a **higher level of coverage and reimbursement compared to the regulations**, including in particular health, provident, invalidity, maternity, retirement and unemployment costs.



SECURITY

PREVENTION & TRAINING

Compliance with safety and risk prevention instructions is a priority. Several actions are carried out to this end:

- Training on company risks by the site safety manager
- Presentation and delivery of a **safety booklet** to all new employees
- Training on occupational risk assessment for team leaders and SEC members
- Deployment and monitoring of the **safety training plan** (SST, refresher courses, CACES, driving licences, fire, etc.)

100%

of warehouse employees are trained in workplace safety

100%

of our team leaders are trained in the analysis of work accidents and the cause tree*

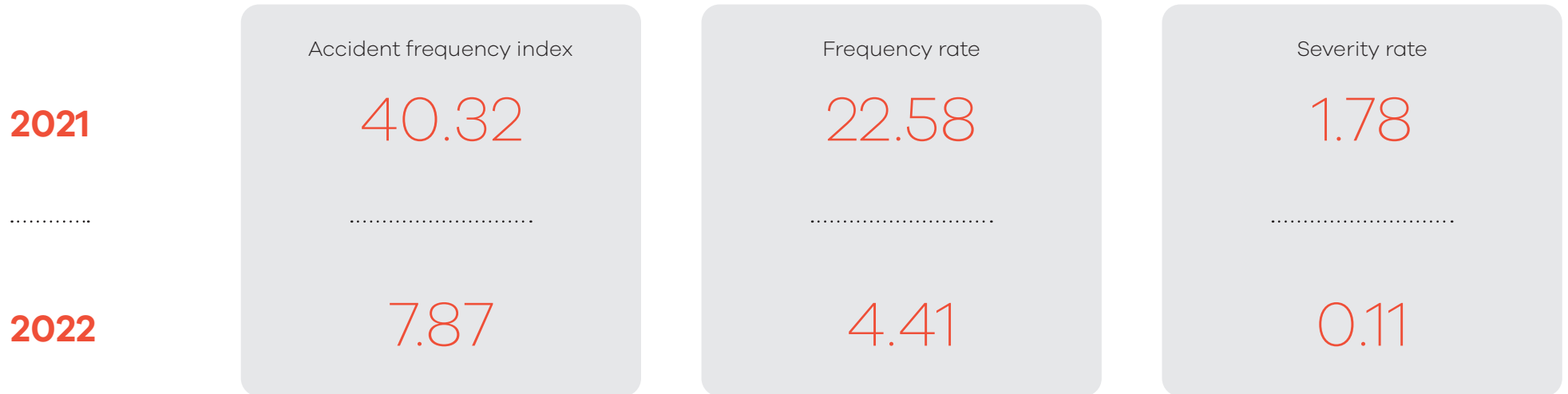
100%

of employees are trained on safe gestures and postures at the workstation

*methodology used to better identify the cause of a work accident

MONITORING OF ACCIDENTS AT WORK

Our KPIs have shown that the actions taken in the field of security have had a positive effect:



“ ————— Flavien REYNIER

Team leaders are trained in accident analysis. This means that when an accident occurs, they must carry out a cause tree to understand the context and circumstances that led to the accident. This helps to reduce the risk of an accident happening again. But the best tool is prevention: that's why we regularly provide training on this subject. And it's working: the indicators have fallen since last year!

Warehouse Manager ————— ”

EQUAL OPPORTUNITIES

PRINCIPLE OF NON-DISCRIMINATION AND GENDER EQUALITY

In accordance with our ethical charter, we fight **against any discrimination against our employees and candidates**, particularly in relation to origin, disability, age or membership of a political or trade union organisation. Coverguard is committed to an equal opportunity recruitment process and to respecting the principles of non-discrimination in recruitment. All recruitment processes are carried out with respect to gender equality (drafting of job offers, interview templates, etc.).

In addition to non-discrimination and respect for all kinds of profiles, **COVERGUARD is committed to treating women and men equally**. We continue to guarantee equal pay, to promote gender diversity in our professions and to enable women to reach all levels of responsibility.

All benefits granted to full-time employees are also granted to temporary and part-time employees, without discrimination. COVERGUARD is also committed to professional equality throughout the career: pay, raises, maternity leave, mobility.



INTEGRATION OF YOUNG WORKERS

COVERGUARD is committed to integrating new generations and young graduates. We are particularly sensitive to the importance to the recruitment of trainees and work-study students each year, but also to the hiring of young graduates.

We are committed to providing young graduates with qualifying work experience in line with their training. An internship policy has been implemented in 2019 to harmonise internship allowances and support. These internship allowances are higher than the legal minimum: they are a percentage of the French minimum wage depending on the length of the internship and the level of the diploma.

On top of training tomorrow's talents, these experiences help develop the managerial skills of tutors.



2021

Rate of work-study students or trainees who received a job offer following the training

25%

Rate of work experience students or trainees

2.7%

2022

25%

6%

HUMAN

SKILLS MANAGEMENT AND INTERNAL MOBILITY

Our vacancies are first published internally before being posted on job boards (excepted confidential positions). Each application received internally is examined with the same expectations as those received externally.

The mapping of jobs and skills implemented in 2021 has made it possible to increase the objectivity of skills assessment during job interviews and end-of-year individual interviews, while creating more transparency on the skills expected of candidates and employees.

The skills map is regularly updated as soon as new posts are created, new staff arrive and staff leave.

TRAINING IN 2022

To contribute to the professional development of its employees, the Group offers training courses each year in accordance with its strategic priorities and the needs of its employees expressed during annual and professional interviews.

Rate of employees who have received training

63

Training hours per employee

5h

Training hours

390h



QUALITY OF LIFE AT WORK

In 2022, Coverguard conducted its first employee satisfaction survey. This questionnaire consisted of 5 parts:



Corporate culture



Working conditions



Work assignments



Colleagues



Manager

SatisfacOverall employee satisfaction in 2022

7.52/10



Several themes emerged from the analysis of the questionnaire, including a strong demand for:

- **Cohesion between the teams** → After two years during which COVID did not allow it, we created a party committee called COFET (see p. 29). It overviewed two events in 2022: a barbecue before the summer holidays and a Christmas meal – two get together that were much appreciated by the whole staff.
- **Communication between services** → a newsletter project covering the information and projects in progress in the various departments was being considered: the feedback from the questionnaire made it possible to speed up the process, which will be launched during 2023.



STRONG PARTNERSHIPS



DONATIONS OF NEW EQUIPMENT

We donate unsold products to our staff about once a year. The rest of the unsold products is donated to local associations, in particular to the **Recyclerie de Rillieux-la-Pape**, an upcycled goods shop playing an important role in the local development

In 2022, we also donated unsold goods to the **Agence du Don en Nature**, a French institution that redistributed our products to other local associations.

In 2022, 27,275 products donated to associations for a total value of

196 000 €

WORLDSKILLS FRANCE PARTNERSHIP

Worldskills is the world's largest trade competition, similar to the Olympic Games for sports, and is an international competition for young people under 23 years of age, competing in 62 trades grouped into 7 areas of activity: construction, industry, automotive and machinery, services, vegetable, food and digital.

To reinforce its commitment to supporting tomorrow's professionals and promoting know-how, Coverguard has joined Worldskills France and became an **official partner of the competition** which will take place in Lyon in September 2023.

We will provide all the working clothes and PPE for the competitors and their entourage, as well as for the whole organisation: jurors, referees, volunteers, etc.



STRONG PARTNERSHIPS

WORKING WITH SUPPORTED EMPLOYMENT INSTITUTIONS

We have formed partnerships with 4 “ESAT” (supported employment institutions), one of which has been in place for twenty years, for instance to tailor our products to meet some clients requirements.

“

Christèle GROS

Sometimes our customers have specific requests: affixing a special label, repackaging in small quantities, putting together kits, etc. We have concluded long-term partnerships with local ESATs to modify these products on request. We also work with the sewing workshop of one of our partners to repair certain textile products that arrive defective at the warehouse - but whose defect does not jeopardise the safety guarantee of the product. For example, this involves sewing on buttons, zips, etc. Repairing allows us to extend the life of new products that do not conform to specifications.

Merchandising Development Assistant ”

In 2022, several orders were placed with partner structures (ESATs & élise) exceeding

38 000€

SECOND LIFE FOR OBJECTS IN GOOD CONDITION

As in previous years, we are offering schools in the region the opportunity to collect our computer equipment, reformatted and in good condition.

Number of PCs donated de la soie
in Décines-Charpieu (69)

4

We also organise collections of objects in good condition from our employees, with the aim of donating them to associations.

— Clothing for La Cravate Solidaire:



The association La Cravate Solidaire, with which we partnered in 2022, collected 29 kg of clothing that will be used to dress 9 beneficiaries. This association provides disadvantaged people with free clothing in excellent condition and helps them find a job.

— Games and toys for children:



Our long-standing partner, the Recyclerie de Rillieux, collected 3 boxes full of children's games and toys: first sorted by the reintegration staff, they were sold at a fair price just before Christmas

INTERNAL AWARENESS AND CSR COMMUNICATION

COVERGUARD raises awareness of its employees about CSR issues right from their first steps in the company

In 2022, we have integrated into the welcome safety training a section on eco-friendly behaviour to be adopted to reduce the impact of each employee:

- Taking care of computer equipment
- Deleting emails and sorting servers
- Reducing the volume of paper printouts
- Sorting waste better
- Relaunching carpooling
- Reducing electricity consumption

Eco-friendly behaviour is regularly the subject of e-mail reminder campaigns to all employees.

To raise awareness of CSR issues among its employees in other ways, COVERGUARD participated for the first time in the European Sustainable Development Week (ESDW) in September-October 2022. Several actions were carried out in different areas: clothing collection (see p. 38), measuring the quality of life at work (see p. 35). These actions were very well received by all staff.


















VARIOUS LOCAL PARTNERSHIPS

Coverguard has set up several local partnerships to support local businesses and to consume more responsibly.

- All employees can have **fruit and vegetables delivered** directly to the office thanks to Maréchal Fraicheur, a company located less than 3km from our premises.
- Whenever possible, we give preference to **suppliers from the in the Auvergne-Rhône-Alpes region** for our office supplies and services.
- For the well-being of our teams, we also have a partnership with Factory Fitness, a **gym** located 200 m from our offices, and pay 50% of the membership fees for employees who go there.
- For sales tools, we have also chosen French and local suppliers: catalogues, flyers, POS material, business cards, etc.

OUR 2025 GOALS

As our CSR policy is constantly evolving, we will soon be setting stricter and more demanding SMART targets in all 5 areas of our CSR policy. As of now, we are continuing to work towards the goals we set last year, and are assessing their progress below.

PILARS	COMMITMENTS	INDICATORS	TARGETS 2025	RESULTS 2021	RESULTS 2022	EVALUATION
 ENVIRONMENT	Our carbon footprint	Our Scope 1 (direct emissions) and Scope 2 (indirect emissions from our energy consumption) carbon footprint	- 25%	130 t CO ₂ eq	-	
		Our Scope 3 carbon footprint (Other indirect emissions)	- 5%	121 488 t CO ₂ eq	-	
 BEING A RESPONSIBLE SUPPLIER	Relations with our suppliers	Rate of suppliers with a signed contract	100%	70%	83,7%	
		Suppliers who signed the Supplier Charter	100% of new suppliers	100%	100%	
		Purchasing volume ISO 14 001 certified suppliers	60%	40%	30%	
		Purchase volume ISO 9001 certified suppliers	100%	85%	78%	
	Responsible products	Recycled or recyclable packaging	100%	100%	100%	
	Information security	Conducting a security audit	Renewal of the network infrastructure	Safety audit carried out	Migration to new infrastructure underway	
 RESPONSIBLE EMPLOYER	Health & Safety	Absenteeism rate	< 5% (national average)	3,01%	2,23 %	
		Turnover	< 15%	15.49 %	18,45 %	
		Accident frequency rate	< 20.70 (national average)	22,58	4,41	
		Severity rate	< 1.4 (national average)	1,779	0,11	
	Equal opportunities	Gender Equality Index	95 / 100	95 / 100	93 / 100	
		Mapping of skills	Ongoing process	100 %	100 %	

 = In progress  = Target achieved

APPENDIX 1 : SUMMARY TABLE OF GRI INFORMATION

GRI : Global Reporting Initiative

102-1	Name of the organisation	P.4	305-2	Indirect GHG emissions (scope 2)	P.16
102-3	Geographical location of the headquarters	P.5	305-3	Other indirect GHG emissions (scope 3)	P.16
102-7	Size of the organisation	P.5	306-2	Waste by type and disposal method	P.18
102-12	External initiatives	P.8	401-2	Benefits granted to full-time employees and not to temporary or part-time employees	P.32
102-14	Statement by the most senior executive	P.1	403-2	Types of accidents at work and rates of accidents at work, occupational diseases, lost days, absenteeism and work-related deaths	P.31
102-17	Mechanisms for advising and managing concerns about ethical issues	P.22	404-1	Average number of training hours per year per employee	P.33
102-18	Governance structure	P.5	406-1	Cases of discrimination and remedial action taken	P.22
102-20	Management responsibility for economic, environmental and social issues	P.3	407-1	Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	P.23 & 24
102-22	Composition of the highest governance body and its committees	P.5	408-1	Operations and suppliers with a significant child labour risk	P.23 & 24
102-40	List of stakeholder groups	P.6, 42 & 43	409-1	Operations and suppliers with a significant risk of forced or compulsory labour	P.23 & 24
102-41	Collective bargaining agreements	P.29	412-1	Operations that have been subject to human rights audits or impact assessments	P.23 & 24
102-50	Reporting period	P.3	415-1	Political contributions	P.22
102-51	Date of most recent report	P.3	416-1	Assessment of the health and safety impacts of product and service categories	P.26
102-52	Reporting cycle	P.3	416-2	Cases of non-compliance concerning the safety and health impacts of products and services	P.26
205-2	Communication and training on anti-corruption policies and procedures	P.22	418-1	Well-founded complaints about breaches of customer confidentiality and losses of customer data	P.26
205-3	Confirmed incidents of corruption and actions taken	P.22	419-1	Non-compliance with social and economic legislation and regulations	P.22
206-1	Legal action against anti-competitive behaviour and antitrust practices	P.22			
302-1	Energy consumption within the organisation	P.18			
303-1	Water withdrawal by source	P.18			
304-1	Activity sites owned, leased or managed, located in or adjacent to protected areas and biodiversity-rich areas outside protected areas (short statement)	P.18			
305-1	Direct GHG emissions (scope 1)	P.16			

APPENDIX 2 : SUMMARY TABLE OF OUR STAKEHOLDERS

STAKEHOLDERS		KEY EXPECTATIONS TOWARDS COVERGUARD	MECHANISMS OF INVOLVING STAKEHOLDERS
INTERNAL STAKEHOLDER	Staff	<ul style="list-style-type: none"> ■ Respect for labour law and the principles of equality and non-discrimination ■ Protection of health and safety at work ■ Development of skills ■ Payment of an adequate salary ■ Satisfactory quality of work life 	<ul style="list-style-type: none"> ■ Frequent personal interviews and follow-up by the manager: definition of SMART objectives ■ Internal communication: written and live ■ Team building activities ■ Appropriate training catalogue ■ Integration programme for new recruits
	Investors / shareholders	<ul style="list-style-type: none"> ■ Balanced and responsible management ■ Transparency: frequent and comprehensive information sharing ■ Value creation: return on investment ■ Compliance with applicable regulations 	<ul style="list-style-type: none"> ■ Meetings with shareholders: physical meetings, video conferences ■ Seminars, fairs, exhibitions
EXTERNAL STAKEHOLDER	Customers	End users	<ul style="list-style-type: none"> ■ Partnership and direct dialogue with the sales department and product managers: site visits, meetings at trade fairs, etc. ■ Customer service: availability by e-mail and telephone ■ Catalogue, technical data sheets, internal labels, e-commerce website ■ Promotions, sales ■ Market analysis
		Distributors	

STAKEHOLDERS		KEY EXPECTATIONS TOWARDS COVERGUARD	MECHANISMS OF INVOLVING STAKEHOLDERS	
EXTERNAL STAKEHOLDER	Competitors	<ul style="list-style-type: none"> ■ Respect of free competition rules ■ Development of the business sector through partnerships ■ Not launching new innovative products (or launch of innovative products to be imitated) ■ Loss of product quality, loss of markets 	<ul style="list-style-type: none"> ■ Meetings at trade shows and technical fairs ■ Reading of activity and CSR reports ■ Benchmarking 	
	Regulatory and supervisory bodies	Public authorities	<ul style="list-style-type: none"> ■ Transparency and good faith ■ Cooperation: providing information spontaneously and also on request ■ Strict compliance with or exceeding the regulations in force 	<ul style="list-style-type: none"> ■ Dialogue with institutions ■ Participation in workshops and seminars ■ Regulatory monitoring
		Private organisations (e.g. Ecovadis, signed charter)		
	Suppliers	<ul style="list-style-type: none"> ■ Frequency and volume of orders ■ Compliance with contractual conditions 	<ul style="list-style-type: none"> ■ Direct meetings at fairs and exhibitions ■ Factory visits 	
	Civil society	Trade unions	<ul style="list-style-type: none"> ■ Transparency and good faith ■ Cooperation ■ Strict adherence to or exceeding the regulations in force 	<ul style="list-style-type: none"> ■ Dialogue, direct meetings during the CSE ■ Regulatory monitoring
		Media	<ul style="list-style-type: none"> ■ Transparency and good faith ■ Communication and news sharing: on-going projects 	<ul style="list-style-type: none"> ■ Press releases ■ Social networks ■ Partnerships with the trade press
Local community		<ul style="list-style-type: none"> ■ Contribution to the creation of value on the territory ■ Transparency and good faith ■ Development of local employment 	<ul style="list-style-type: none"> ■ Meetings with local community representatives ■ Financial or material donations 	

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